



Senators Feinstein and Boxer Call for \$1.2 Billion in Agriculture
Disaster Relief from California's January Freeze to be
Included in Supplemental Appropriations bill

February 7, 2007

Washington, DC – U.S. Senators Dianne Feinstein and Barbara Boxer (both D-Calif.) today called on the Senate Appropriations Committee to provide agricultural disaster relief for the \$1.2 billion in crop losses sustained during the mid-January freeze in California in the FY'07 Supplemental Appropriations bill.

Last month, a deep freeze hit 31 of California's 58 counties. The affected area stretches 500 miles, throughout the Sacramento and San Joaquin Valleys, along the Central Coast, and into Southern California, where much of the nation's winter vegetables are grown. It is the most extensive freeze the State has suffered since 1947. As many as 15,000 workers will be displaced in some of California's most economically challenged communities. To date, the State estimates a total of \$1.247 billion in lost crops, which may increase as much as 15 percent or higher.

In a letter to Senators Robert Byrd (D-W.V.) and Thad Cochran (R-Miss.), the Chairman and Ranking Member of the Senate Appropriations Committee, Senators Feinstein and Boxer expressed the urgent need for federal assistance. The \$1.2 billion in federal funds would be used for disaster unemployment assistance, food assistance, and housing assistance.

"Agriculture is California's biggest industry. So a freeze of this magnitude will have a major effect," Senators Feinstein and Boxer wrote. **"To date, the State estimates a total of \$1.247 billion in lost crops, which may increase as much as 15 percent or even possibly higher. Those who have been hardest hit this year – who have seen their entire crop wiped out – will not have a crop again for two or three years because of the damage to the trees by the sustained low temperatures.**

It is not as easy to quantify the human toll. Right now, people are having a hard time making it day to day. These are field workers, packing house employees, and independent truckers. Workers do not have money to buy food for their families or to pay rent and utility bills. Money problems are exacerbated by the high heating costs due to the severe winter weather. Many renters must pay on a weekly basis, so they do not even have a month between payments.

I believe that we must work to provide relief to both the growers and workers who have been devastated by this disaster.”

Following is the text of the letter Senators Feinstein and Boxer sent today to Senators Byrd and Cochran:

February 7, 2007

**The Honorable Robert C. Byrd
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510**

**The Honorable Thad Cochran
Ranking Member
Committee on Appropriations
United States Senate
Washington, DC 20510**

Dear Chairman Byrd and Senator Cochran:

We are writing to request your assistance in providing agricultural disaster relief for \$1.2 billion in crop losses due to a freeze in California in the Supplemental Appropriations bill.

Along with Governor Arnold Schwarzenegger and the State’s congressional delegation, we have asked the President for a federal disaster declaration in 31 of California’s 58 counties. The affected area stretches 500 miles, throughout the Sacramento and San Joaquin Valleys, along the Central Coast, and into Southern California, where much of the nation’s winter vegetables are grown. It is the most extensive freeze our state has suffered since 1947. We understand that 15,000 workers will be displaced in some of California’s most economically challenged communities. We believe that we must work to provide relief to both the growers and workers who have been devastated by this disaster.

Agriculture is California’s biggest industry. So a freeze of this magnitude will have a major effect. It is clear that California citrus growers have been severely impacted. However, this freeze has also devastated avocados, mangoes, leafy greens, peppers, artichokes, strawberries, and nursery plants. Those who have been hardest hit this year – who have seen their entire crop wiped out – will not have a crop again for two or three years because of the damage to the trees by the sustained low temperatures.

Since January 11, when the freeze began, the State Government has collected comprehensive data on the costs to farmers. To date, the State estimates a total of \$1.247 billion in lost crops, which may increase as much as 15 percent or even possibly higher. The loss at present includes:

- \$464.6 million in navel oranges in 10 counties**
- \$161 million in Valencia oranges in 5 counties**
- \$88.3 million in lemons in 11 counties**

- \$45.8 million in mandarins in 6 counties
- \$14.8 million in grapefruit in 4 counties
- \$145.9 million in avocados in 7 counties
- \$17 million in leafy vegetables in 5 counties
- \$120 million in nursery stock in 9 counties
- \$20.8 million in grapes in just one county, and
- \$36.9 million in strawberries in 8 counties

It is not as easy to quantify the human toll. Right now, people are having a hard time making it day to day. These are field workers, packing house employees, and independent truckers. Workers do not have money to buy food for their families or to pay rent and utility bills. Money problems are exacerbated by the high heating costs due to the severe winter weather. Many renters must pay on a weekly basis, so they do not even have a month between payments.

In a normal year, citrus workers are employed 11 months of the year. Citrus packing houses are typically running full shifts in February. Right now they are packing only four hours a day. This means that some employees are completely unemployed while others are unable to collect unemployment insurance because they are involuntarily working part-time. As of yesterday, 3,232 individuals had applied for unemployment insurance due to the freeze.

Many of our rural communities are totally dependent on agriculture and are now endangered. For example, there is a small town in the Central Valley called Orange Cove. In this town of 10,000, 80 percent are out of work due to the freeze. Two weeks ago our staffs participated in a food distribution program, at which 6,000 people came to receive food.

We know of a woman from Orange Cove who has worked in a packing house for 19 years, whose usual salary is \$800 per week. Due to the freeze and the limited packing hours, she is now only making \$400 per week. Because she is working the shifts available, she does not qualify for unemployment but will be unable to make her house payment at the end of the month.

The State is already providing these workers with access to a variety of programs, including income support, food assistance, emergency medical services, and employment and training services. However, we believe the federal government will need to augment the efforts of the State, local governments, and community based organizations. We will need to provide disaster unemployment assistance, food assistance, and housing assistance.

Many of California's farmers carry crop insurance in preparation for just such a disaster. Unfortunately, not all crops are eligible for crop insurance, sometimes even different varieties of a crop are ineligible. Our understanding is that, if our citrus growers are able to collect the total of crop insurance they are due, it would be a maximum of \$311 million. The operating costs of farming alone for this year were \$560 million for the affected fields and orchards for one year. That does not include the at least \$100 million

growers have spent in the last months trying to save their orchards. Farmers will also need to begin making ready for next year's harvest, which will again incur \$560 million in normal farming costs.

Attached are pictures of California avocados, oranges, and strawberries that show the severity of the freeze and the need for federal assistance. We have also attached Governor Schwarzenegger's February 2 letter to the President, which includes the estimated agricultural loss, the State share of costs for disaster assistance to workers, and unemployment data.

We have asked our staffs to provide to the Agriculture Appropriations Subcommittee the necessary information on the specific federal programs we will need to fund in order to assist the growers and workers. We look forward to working with you to provide assistance to the people in our State devastated by this agricultural disaster.

Sincerely,

Dianne Feinstein
United States Senator

Barbara Boxer
United States Senator

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